

**U.S. House and Senate Notification**  
**Thursday, December 31, 2009**

**To: Congressional Health Staff**

**From: Amy Hall**  
**Director, Office of Legislation**  
**Centers for Medicare & Medicaid Services**

**Subject: Expiring Provisions of Law**

On January 1, 2010, certain provisions of law directing how Medicare should pay for certain services will expire. The Centers for Medicare & Medicaid Services (CMS) is taking a number of actions within the parameters of current law to ameliorate this impact.

With respect to the physician fee schedule, the Department of Defense Appropriations Act of 2010 provides a two-month zero percent update to the physician fee schedule rates. CMS is working to quickly have the Medicare claims processing contractors incorporate and test these changes so that physicians and other providers paid under the Medicare physician fee schedule are paid the appropriate rate with minimal disruption.

Additional legislation is under discussion that would extend some or all of the other statutory provisions expiring at the close of this calendar year. As legislation extending these provisions has not yet been enacted, CMS has no statutory basis upon which to continue making payments in accordance with the expiring provisions. However, we will be working with the provider and beneficiary community to ensure minimal disruption should these provisions be again extended.

Providers have two options for what to do with claims affected by these provisions beginning January 1. A provider may continue to submit claims for these services, which will be processed under current law (and may later be reprocessed if new legislation extends the expiring provisions). Alternatively, a provider may choose to hold claims for a period of time to see whether legislation is enacted, and avoid reprocessing. Please note that claims with dates of service prior to January 1, 2010, are unaffected by the expiring provisions.

Medicare has a wide outreach and education network for effective provider outreach that uses a variety of venues, including national and local provider organizations, among others. CMS is committed to maintaining open lines of communication with the provider and beneficiary communities on expiring provisions.

If you have any questions about this notification, please contact the CMS Office of Legislation.